

Funding

Option and Opportunities

Supporting rural
community-owned businesses



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Plunkett Community
Business Adviser

Supporting rural
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Grants are great, but....

- Everyone loves free money with no strings attached, but dependency is unhealthy
- Until the Community Ownership Fund there were other successful ways to acquire at risk assets
- In an uncertain funding environment, it pays to have contingency plans
- Self-Help is a Co-operative Value and Principle
- Community businesses are businesses

Types of Finance and Funding

- Equity – Share Capital
- Quasi Equity - <https://www.goodfinance.org.uk/quasi-equity-0>
- Debt
- Loans
- Bonds
- Grants
- Gifts and Donations

Community Shares

- Community Benefit Societies and Bona Fide Co-operatives Exempt Shares
- Member Share Offer, Pioneer Share Offer and Open Share Offer
- Different classes of Shares for different purposes
- SEIS/EIS Venture Capital Tax Relief Schemes for eligible projects
- Corporate Share purchase including other Co-ops and CBS

Summary

- Need for blended Finance and Funding options to manage risks and provide contingency
- Equity
- Debt
- Gifts and Donations

Community Shares

- Plunkett UK https://plunkett.co.uk/wp-content/uploads/Plunkett_CommBus_Comm-Shares_final.pdf
- Community Shares Unit <https://www.uk.coop/support-your-co-op/community-shares>
- Community Shares Standard Mark <https://www.uk.coop/start-new-co-op/support/community-shares/standards>

Democratic Funding Programme (Scotland)

- Community Shares Scotland – <https://communitysharesscotland.org.uk/>
- Community Bonds – <https://scotcomfinance.scot/>
- Piloting a Scottish Community Shares Booster programme
- Mapped Community Share Case Studies <https://communitysharesscotland.org.uk/map/>

Community Shares Booster Programme

- Booster Fund England
<https://www.uk.coop/support-your-co-op/community-shares/support/booster-fund/apply>
- Pre-Grant Support
- Equity Match Investment Max 50%
- Equity is made as investment in withdrawable, non-transferable share capital into the community business
- Subscription Underwriting

Community Shares Booster Programme

- Priorities include:
- Disadvantaged, less affluent and under-represented communities, particularly minoritised ethnicities, young people and communities facing systemic inequality
- Projects that meet critical needs of their communities – we are particularly interested in project that address climate change issues and digital inclusion Pre-Grant Support

Energy Efficiency Share Match

- Crowdfunded Match Funding
<https://www.crowdfunder.co.uk/funds/energy-efficiency-sharematch>
- Undertake activities which reduce their energy usage, or identify alternative sources of energy
- £250,000 fund administered by Crowdfunder, working with Co-operatives UK and funded by Access – The Foundation for Social Investment

Public Works Loan

- Loans to English and Welsh local authorities, and other specified bodies, from the National Loans Fund for Capital Projects
<https://www.dmo.gov.uk/responsibilities/local-authority-lending/about-pwlb-lending/>
- Automatically secured on the revenues of the authority rather than by reference to specific revenues, assets or collateral

Public Works Loan

- 4.95–5.51% Fixed Interest depending on term up to 50 years
- 6.19–6.29% Variable Rate as of 25th June 2024
- Parish and Town Councils should approach their County Association of Local Councils or, in the case of Welsh councils, the Welsh Government
- HM Treasury approval required

Public Works Loan

- Support local authority investment in service delivery, housing, economic regeneration, treasury management, and occasionally preventative action
- Can improve and/or change the use of an asset that is not owned by the local authority where it serves a direct policy purpose
- Takes the form of grants, loans, sale and leaseback, equity injections, or other forms of business support that generate a balance sheet asset

Loan Finance

- Member Loans
<https://www.uk.coop/resources/community-shares-handbook/2-society-legislation/25-borrowing-cs>
- Co-operative and Community Finance
<https://coopfinance.coop/morethanapub/>
- Triodos Bank
<https://www.triodos.co.uk/business-lending/large-loans/charities-and-social-enterprises>
- Charity Bank
<https://www.charitybank.org/charity-loans>

Loan Finance

- Ecology Building Society
<https://www.ecology.co.uk/projects/>
- CDFI's <https://www.findingfinance.org.uk/>
- Social Investment
<https://www.sibgroup.org.uk/funding/>

Community Fundraising

- Fundraising Events
- <https://ciof.org.uk/events-and-training/resources/tips-on-planning-a-fundraising-event>
- <https://www.fundraisingregulator.org.uk/sites/default/files/2019-09/Code-of-Fundraising-Practice-October-2019.pdf>
- Corporate Sponsorship
<https://sponsorseeker.co.uk/listing-sector/charities/>

Community Fundraising

- Small Society Lotteries
<https://www.gamblingcommission.gov.uk/public-and-players/guide/page/licences-for-small-society-lotteries>
- Other fundraising strategies
<https://www.easyfundraising.org.uk/blog/the-complete-guide-to-community-fundraising-strategies-ideas-and-best-practices/>

Crowdfunding

- SpaceHive <https://about.spacehive.com/funds/>
- Crowdfunder <https://www.crowdfunder.co.uk/funds>
- Seedr <https://www.seedrs.com/raise/>
- JustGiving <https://www.justgiving.com/>

Summary

- Having a diverse mix of finance and funding helps manage short, medium and long term risks
- Finance and Funding is not exclusively pre-start
- Factor in the time it will take to raise each type
- GDPR Compliance and Data Security is essential
- Community businesses need sufficient start up capital, cashflow and profitability to succeed without grants

Marvin Symes

Plunkett Adviser
&
Grant Funding Specialist

Supporting rural
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Grant funding opportunities

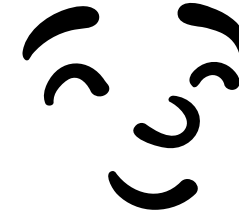


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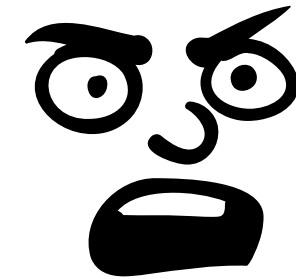
MY EXPERIENCE

1. Over 10,000 !
2. Trusts and Foundations
3. Government and Public Sector
4. Corporate Foundations
5. Community Foundations



HOW MANY GRANT FUNDERS ARE THERE IN THE UK?

1. High Competition
2. Complex Application Processes
3. Changing Funding Priorities
4. Reporting and Compliance Requirements
5. Sustainability of Funding



CURRENT GRANT FUNDING LANDSCAPE CHALLENGES

The funders

Community Facilities Programme



power to change

the Tudor trust

Scottish Land Fund



Esmée Fairbairn FOUNDATION

LLOYDS BANK FOUNDATION

England & Wales



AHF Transforming Heritage
www.ahfund.org.uk



Social Investment Business



COMMUNITY FUND



UK's Biggest Funder

Two Flagship Programmes

Awards 4 All

Reaching Communities

Why Apply for National Lottery Funding?

Scottish Land Fund

Delivered by The National Lottery Community Fund and our partners Highlands and Islands Enterprise

Grants of between £5,000 and £1 million are available to fund the purchase of land or land assets.

Open to organisations in both urban and rural Scotland which are community-led, community-controlled.

Groups have used the funds to pay for additional Plunkett time.



Llywodraeth Cymru
Welsh Government

The Community Facilities Programme is a capital grant scheme operated by the Welsh Government

Grants are available at two levels; small grants of under £25,000 and larger grants of up to £250,000

Capital only grant scheme. Grants are available for the purchase of or the physical improvement of community facilities; this can include land and buildings.



<https://www.grantfinder.co.uk/>

<https://fundsonline.org.uk/>

<https://grantnav.threesixtygiving.org/>

<https://www.myfundingcentral.co.uk/>

PLACES TO LOOK TO FIND FUNDERS

Q&A

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Coming up...

Make the Most of your Membership

18:30-19:30

Thursday 11th July

Online

National Community Business Conference (& Rural Community Business Awards)

09:30 – 19:00

Wednesday 23rd October

London



Plunkett UK

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Website

www.plunkett.co.uk

Business Support

Membership

Recommended suppliers

Resources and recorded
webinars

Grant list

Enhanced support

Network Support

Here to help...